

the matter should be resolved by informal means, including conciliation, and persuasion, whenever possible. This will also include establishing a corrective action program in accordance with § 60-250.26(g)(2). Where the apparent violation is not resolved by informal means, the Director shall proceed in accordance with the enforcement procedures contained in this part.

(b) *Judicial enforcement.* In addition to the administrative remedies set forth herein, the Director may, within the limitations of applicable law, seek appropriate judicial action to enforce the contractual provisions set forth in § 60-250.4 including appropriate injunctive relief.

(c) *Withholding progress payments.* With the prior approval of the Director so much of the accrued payment due on the contract or any other contract between the Government prime contractor and the Federal Government may be withheld as necessary to correct any violations of the provisions of the affirmative action clause.

(d) *Termination.* A contract or sub-contract may be canceled or terminated, in whole or in part, for failure to comply with the provisions of the affirmative action clause.

(e) *Debarment.* A prime contractor or subcontractor or a prospective contractor or subcontractor may be debarred from receiving future contracts for failure to comply with the provisions of the affirmative action clause.

**§ 60-250.29 Formal hearings.**

(a) *Hearing opportunity.* An opportunity for a formal hearing shall be afforded to a prime contractor or a subcontractor or a prospective prime contractor or subcontractor by the Director in any of the following circumstances:

(1) An apparent violation of the affirmative action clause by a contractor or subcontractor, as shown by any investigation, is not resolved by informal means and a hearing is requested; or

(2) The Director proposes to cancel or terminate the contract or withhold progress payments, or cause the contract to be canceled or terminated or progress payments to be withheld, in whole or in part, on a contract or contracts, or to require cancellation or

termination of a contract or sub-contract or withholding of progress payments; or

(3) The Director proposes to declare a prime contractor or subcontractor ineligible for further contracts or sub-contracts under the Act.

(b) *Hearing practice and procedure.* (1) All hearings conducted under section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the regulations in this part shall be governed by the Rules of Practice for Administrative Proceedings to Enforce Equal Opportunity Under Executive Order 11246 contained in 41 CFR part 60-30. Complaints may be issued by the Solicitor, Associate Solicitor for Labor Relations and Civil Rights, Regional Solicitors and the Regional Attorney.

(2) For the purposes of hearings pursuant to this part 60-250, references in 41 CFR part 60-30 to "Executive Order 11246" shall mean section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974; to "equal opportunity clause" shall mean the affirmative action clause published at 41 CFR 60-250.4; and to "regulations" shall mean the regulations contained in this part.

[43 FR 49268, Oct. 20, 1978; 43 FR 51402, Nov. 3, 1978, as amended at 44 FR 49691, Aug. 24, 1979; 61 FR 19989, May 3, 1996]

**§ 60-250.30 Notification of agencies.**

The Director shall notify the heads of all agencies of any action for non-compliance taken against any contractor after such actions have been taken. No agency may issue a waiver under § 60-250.3(b)(1) to any contractor subject to such action without prior approval of the Director.

**§ 60-250.31 Contractor ineligibility list.**

The Director shall distribute periodically a list to all executive departments and agencies giving the names of prime contractors and subcontractors who have been declared ineligible under the regulations in this part and the Act.

**§ 60-250.32 Disputed matters related to the affirmative action program.**

The procedures set forth in the regulations in this part govern all disputes relative to a contractor's compliance

with the affirmative action clause and the requirements of this part. Any disputes relating to issues other than compliance, including contract costs arising out of the contractor's efforts to comply, shall be determined by the disputes clause of the contract.

**§ 60-250.33 Responsibilities of State employment services.**

(a) Any job openings listed pursuant to § 60-250.3 which requires contractors to list their job openings with State employment services offices, shall be utilized by State employment security agencies to refer qualified disabled veterans and veterans of the Vietnam era.

(b) The local offices of the Federal-State employment service shall give priority in referral to disabled veterans and veterans of the Vietnam era to such employment openings listed by contractors and subcontractors pursuant to this part.

(c) The local employment office staff will contract employers to solicit job orders. The State employment service will make available information pertinent to a determination of whether the contractor is in compliance with the mandatory listing and reporting requirements of the affirmative action clause.

**Subpart C—Ancillary Matters**

**§ 60-250.50 Reinstatement of ineligible contractors and subcontractors.**

Any prime contractor or subcontractor debarred from further contracts or subcontracts under the Act may request reinstatement in a letter directed to the Director. In connection with the reinstatement proceedings, the prime contractor or subcontractor shall be required to show that it has established and will carry out employment policies and practices in compliance with the affirmative action clause.

**§ 60-250.51 Intimidation and interference.**

The sanctions and penalties contained in this regulation may be exercised by the Director against any prime contractor or subcontractor, who fails to take all necessary steps to

ensure that no person intimidates, threatens, coerces, or discriminates against any individual for the purpose of interfering with the filing of a complaint, furnishing information, or assisting or participating in any manner in an investigation, compliance review, hearing, or any other activity related to the administration of the Act.

**§ 60-250.52 Recordkeeping.**

(a) Each contractor and subcontractor shall maintain for a period not less than 1 year records regarding complaints and actions taken thereunder, and such employment or other records as required by the Director or by this part and shall furnish such information in the form required by the Director or as the Director deems necessary for the administration of the Act and regulations issued under this part.

(b) Failure to maintain complete and accurate records as required under this section or failure to update annually the affirmative action program as required by § 60-250.5(b) constitutes non-compliance with the contractor's or subcontractor's obligations under the affirmative action clause and is a ground for the imposition of appropriate sanctions.

**§ 60-250.53 Access to records of employment.**

Each prime contractor and subcontractor shall permit access during normal business hours to its places of business, books, records and accounts pertinent to compliance with the Act, and all rules and regulations promulgated pursuant thereto for the purposes of complaint investigations, and investigations of performance under the affirmative action clause of the contract or subcontract. Information obtained in this manner shall be used only in connection with the administration of the Act.

**§ 60-250.54 Rulings and interpretations.**

Rulings under or interpretations of the Act and the regulations contained in this Part 60-250 shall be made by the Secretary or his or her designee.